

**Grantee: Chandler, AZ**

**Grant: B-08-MN-04-0502**

**July 1, 2010 thru September 30, 2010 Performance Report**

**Grant Number:**

B-08-MN-04-0502

**Obligation Date:****Grantee Name:**

Chandler, AZ

**Award Date:****Grant Amount:**

\$2,415,100.00

**Contract End Date:****Grant Status:**

Active

**Review by HUD:**

Submitted - Await for Review

**QPR Contact:**

Leah Powell

## Disasters:

**Declaration Number**

NSP

## Narratives

**Areas of Greatest Need:**

HUD's Estimated Foreclosure Abandonment Risk Score ("Risk Score") measures the estimated risk of home foreclosure and abandonment for every Census Tract in the State. This score is scaled from 0 to 10, with 10 being the highest or greatest risk. The Risk Scores were developed by HUD to assist grantees in targeting the areas of greatest need within their jurisdictions. Utilizing the HUD provided dataset, Chandler identified the zip code 85225 as having the most significant risk of foreclosure. This strategy will focus on eligible Census Tract within the 85225 zip code that HUD has identified as having the highest risk for foreclosures.

**Distribution and and Uses of Funds:**

After analyzing foreclosure trends and code complaints, staff proposes targeting the 85225 zip code for programs using the NSP funds with the following NSP strategies: 1. Development of a Chandler Community Land Trust (CCLT) – The amount of \$1,468,500 will be used to purchase, rehabilitate and sell up to 15 formerly vacant, foreclosed single-family homes to income-qualified residents. Under this program the participants will purchase only the structure, the home, and not the land. The land will remain in possession of the Land Trust and leased to the homeowner until they sell the home. When the homeowner chooses to sell the home, the lease is terminated and any appreciation in the home's value will be split between the homeowner and the Land Trust. This system will reduce the purchase costs for the participant while sharing equity and ensuring that the home will remain permanently affordable as part of the Land Trust. The families that are envisioned for these properties are between 81% and 120% of area media income (AMI), or approximately \$53,300 to \$79,900 annually for a family of four. Qualifying to purchase only the house also greatly reduces the amount of the mortgage for which these families would have to apply. 2. Creation of permanent affordable rental housing – Approximately \$ 655,100 will be used to purchase and rehabilitate up to six vacant, foreclosed multifamily properties and rent them to income-qualified families. This is unlike the Section 8 program in that no voucher will be required. The families will be selected, evaluated and monitored by the partnering non-profit for their suitability for the program. The partnering non-profit will assume responsibility for the on-going maintenance of the properties after acquisition. 3. Down Payment Assistance – Approximately \$50,000 will be used to assist qualified potential homebuyers with down payment assistance. These funds will be distributed to residents purchasing a house through the Land Trust to make the Land Trust component even more affordable. The downpayment assistance will be secured with a ten-year forgivable lien on the purchased property. The partnering non-profit will qualify, educate and monitor the new homeowners. Within the 85225 zip code, these three strategies will be targeted to Census Tracts identified by HUD as most at risk for foreclosure. 4. Administrative support – No more than \$241,500 can be used for staff support of any of the programs initiated through the NSP. This can include the staff support provided by the City and the City's non-profit partners in these programs.

**Definitions and Descriptions:****Low Income Targeting:**

While 25% of our grant amount set aside for low-income housing activities (under 50% AMI) is \$603,775, we have actually awarded \$655,100 to the Affordable Rental Movement. This is \$50,000 more than originally budgeted (\$605,100) as a result of a reallocation of NSP funds when the Downpayment Assistance activity was reduced from \$100,000 to \$50,000 as a result of a revised analysis of demand. The \$655,100 will be used to purchase and rehabilitate up to six vacant, foreclosed multifamily properties and rent them to income-qualified families. This is unlike the Section 8 program in that no voucher will be required. The families will be selected, evaluated and monitored by the partnering non-profit for their suitability for the program. The partnering non-profit will assume responsibility for the on-going maintenance of the properties after acquisition.

### Acquisition and Relocation:

Acquisition of approximately 15 single family homes will be acquired through our Community Land Trust Program and an additional 6 homes will be acquired through our Permanent Rental Housing program. No relocations will be performed through these activities.

### Public Comment:

In addition to the standard published comment period, a public hearing was held at the February 12, 2009 City of Chandler Council Meeting. No comments were made during the public comment period or at the public hearing.

On March 20, 2010 the City of Chandler published our Amendment I to the Substantial Amendment for a 15-day comment period. No comments were made during the public comment period.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$2,415,100.00
Total CDBG Program Funds Budgeted	N/A	\$2,415,100.00
Program Funds Drawdown	\$368,242.17	\$1,875,395.37
Obligated CDBG DR Funds	\$106,770.63	\$2,415,100.00
Expended CDBG DR Funds	\$324,972.95	\$1,942,979.29
Match Contributed	\$0.00	\$0.00
Program Income Received	\$212,313.70	\$302,091.34
Program Income Drawdown	\$212,313.70	\$302,091.34

## Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$362,265.00	\$0.00
Limit on Admin/Planning	\$241,510.00	\$47,871.25
Limit on State Admin	\$0.00	\$0.00

## Progress Toward Activity Type Targets

## Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$603,775.00	\$655,100.00

## Overall Progress Narrative:

This quarter, another home has been purchased in the Community Land Trust (CLT) program. One new homebuyer has been selected for the Down Payment Assistance Program through the CLT.

The Permanent Rental Housing units are in the process of being rehabilitated. As of the close of the quarter, the selection of the new residents has not been finalized therefore, beneficiary information is not available and staff is

unable to update this section of the quarterly report.

## Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
09Admin, Administration and Planning Costs	\$26,306.60	\$241,500.00	\$50,982.07
09PRH, Acquisition/Purchase and Rehabilitation	\$105,725.00	\$655,100.00	\$655,100.00
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
DPA09, Acquisition/Purchase and Rehabilitation	\$0.00	\$50,000.00	\$0.00
LT09, Acquisition/Purchase and Rehabilitation	\$236,210.57	\$1,468,500.00	\$1,169,313.30

## Activities

<b>Grantee Activity Number:</b>	<b>09Admin</b>
<b>Activity Title:</b>	<b>Administration</b>

**Activity Category:**

Administration

**Activity Status:**

Under Way

**Project Number:**

09Admin

**Project Title:**

Administration and Planning Costs

**Projected Start Date:**

03/30/2009

**Projected End Date:**

03/30/2012

**Completed Activity Actual End Date:**
**National Objective:**

N/A

**Responsible Organization:**

City of Chandler

**Overall**
**Jul 1 thru Sep 30, 2010**
**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$241,500.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$241,500.00
<b>Program Funds Drawdown</b>	\$26,306.60	\$50,982.07
<b>Obligated CDBG DR Funds</b>	\$0.00	\$241,500.00
<b>Expended CDBG DR Funds</b>	\$2,120.28	\$47,871.25
City of Chandler	\$2,120.28	\$47,871.25
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

&ndash No more than \$241,500 can be used for staff support of any of the programs initiated through the NSP. This can include the staff support provided by the City and the City's non-profit partners in these programs.

**Location Description:**
**Activity Progress Narrative:**

Staff continues to work very closely with the subrecipients for each of the programs. Files for each property have been recently reviewed for completeness.

**Accomplishments Performance Measures**

No Accomplishments Performance Measures found.

**Beneficiaries Performance Measures**

No Beneficiaries Performance Measures found.

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

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**Grantee Activity Number:** 09DPA

**Activity Title:** Down-payment Assistance program

**Activity Category:**

Homeownership Assistance to low- and moderate-income

**Project Number:**

DPA09

**Projected Start Date:**

07/01/2009

**Activity Status:**

Under Way

**Project Title:**

Acquisition/Purchase and Rehabilitation

**Projected End Date:**

07/01/2012

**Completed Activity Actual End Date:**

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

City of Chandler

**Overall**

**Jul 1 thru Sep 30, 2010**

**To Date**

**Total Projected Budget from All Sources**

N/A

\$50,000.00

**Total CDBG Program Funds Budgeted**

N/A

\$50,000.00

**Program Funds Drawdown**

\$0.00

\$0.00

**Obligated CDBG DR Funds**

\$0.00

\$50,000.00

**Expended CDBG DR Funds**

\$0.00

\$0.00

City of Chandler

\$0.00

\$0.00

**Match Contributed**

\$0.00

\$0.00

**Program Income Received**

\$0.00

\$0.00

**Program Income Drawdown**

\$0.00

\$0.00

**Activity Description:**

Approximately \$50,000 will be used to assist qualified potential homebuyers with down payment assistance. These funds will be distributed to residents purchasing a house through the Land Trust to make the Land Trust component even more affordable. The downpayment assistance will be secured with a ten-year forgivable lien on the purchased property. The partnering non-profit will qualify, educate and monitor the new homeowners.

**Location Description:**

HUD's Estimated Foreclosure Abandonment Risk Score ("Risk Score") measures the estimated risk of home foreclosure and abandonment risk for every Census Tract in the State. This score is scaled from 0 to 10, with 10 being the highest or greatest risk. The Risk Scores were developed by HUD to assist grantees in targeting the areas of greatest need within their jurisdictions. Utilizing the HUD provided dataset, Chandler identified the zip code 85225 as having the most significant risk of foreclosure. This strategy will focus on eligible Census Tracts within the 85225 zip code that HUD has identified as having the highest risk for foreclosures.

**Activity Progress Narrative:**

In the last quarter, \$50,000 was obligated to six new homebuyers for Down Payment Assistance. One of these buyers did not need as much assistance as originally anticipated so those funds were re-obligated to a seventh buyer during this quarter. As of close of this quarter, we have not received a request for reimbursement for these funds as the homes were either still in the process of being rehabilitated and/or the purchase of the home has not been completed. It is anticipated that we will be expending these funds in the next quarter.

**This Report Period  
Total**

**Cumulative Actual Total / Expected  
Total**

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households benefitting	0	1	1	2/0	5/5	7/5	100.00

## Activity Locations

Address	City	State	Zip
205S Kingston	Chandler	NA	85225

## Other Funding Sources Budgeted - Detail

### No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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**Grantee Activity Number:** 09PRH

**Activity Title:** Permanent rental Housing

**Activity Category:**

Acquisition - general

**Project Number:**

09PRH

**Projected Start Date:**

06/30/2009

**Activity Status:**

Under Way

**Project Title:**

Acquisition/Purchase and Rehabilitation

**Projected End Date:**

06/30/2012

**Completed Activity Actual End Date:**

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Responsible Organization:**

City of Chandler

**Overall**

**Jul 1 thru Sep 30, 2010**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$655,100.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$655,100.00
<b>Program Funds Drawdown</b>	\$105,725.00	\$655,100.00
<b>Obligated CDBG DR Funds</b>	\$79,525.00	\$655,100.00
<b>Expended CDBG DR Funds</b>	\$86,642.10	\$636,017.10
City of Chandler	\$86,642.10	\$636,017.10
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

Approximately \$655,100 will be used to purchase and rehabilitate up to six vacant, foreclosed multifamily properties and rent them to income-qualified families. This is unlike the Section 8 program in that no voucher will be required. The families will be selected, evaluated and monitored by the partnering non-profit for their suitability for the program. The partnering non-profit will assume responsibility for the on-going maintenance of the properties after acquisition.

**Location Description:**

HUD's Estimated Foreclosure Abandonment Risk Score ("Risk Score") measures the estimated risk of home foreclosure and abandonment for every Census Tract in the State. This score is scaled from 0 to 10, with 10 being the highest or greatest risk. The Risk Scores were developed by HUD to assist grantees in targeting the areas of greatest need within their jurisdictions. Utilizing the HUD provided dataset, Chandler identified the zip code 85225 as having the most significant risk of foreclosure. This strategy will focus on eligible Census Tract within the 85225 zip code that HUD has identified as having the highest risk for foreclosures.

**Activity Progress Narrative:**

**Accomplishments Performance Measures**

	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>
	<b>Total</b>	<b>Total</b>
<b># of Properties</b>	0	6/6
<b># of buildings (non-residential)</b>	0	0/6
<b># of Parcels acquired by</b>	0	0/0

# of Parcels acquired by admin	0	0/0
# of Parcels acquired voluntarily	0	6/6
Total acquisition compensation to	0	0/0

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	6/6

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Permanent Jobs Created	0	0	0	0/0	0/0	0/0	0

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households benefitting	0	0	0	6/6	0/0	6/6	100.00
# of Persons benefitting	0	0	0	0/15	0/0	0/15	0

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
Neighborhood Stabilization Program	\$0.00
Total Other Funding Sources	\$0.00

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**Grantee Activity Number:** CLT09

**Activity Title:** Community landtrust

**Activity Category:**

Acquisition - general

**Project Number:**

LT09

**Projected Start Date:**

04/30/2009

**Activity Status:**

Under Way

**Project Title:**

Acquisition/Purchase and Rehabilitation

**Projected End Date:**

04/30/2012

**Completed Activity Actual End Date:**

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

City of Chandler

**Overall**

**Jul 1 thru Sep 30, 2010**

**To Date**

**Total Projected Budget from All Sources**

N/A

\$1,468,500.00

**Total CDBG Program Funds Budgeted**

N/A

\$1,468,500.00

**Program Funds Drawdown**

\$236,210.57

\$1,169,313.30

**Obligated CDBG DR Funds**

\$27,245.63

\$1,468,500.00

**Expended CDBG DR Funds**

\$236,210.57

\$1,259,090.94

City of Chandler

\$236,210.57

\$1,259,090.94

**Match Contributed**

\$0.00

\$0.00

**Program Income Received**

\$212,313.70

\$302,091.34

**Program Income Drawdown**

\$212,313.70

\$302,091.34

**Activity Description:**

The amount of \$1,468,500 will be used to purchase and sell up to 12 formerly vacant, foreclosed single-family homes to income-qualified residents. Under this program the participants will purchase only the structure, the home, and not the land. The land will remain in possession of the Land Trust and leased to the homeowners until they sell the home. When the homeowner chooses to sell the home, the lease is terminated and any appreciation in the home's value will be split between the homeowner and the Land Trust. This system will reduce the purchase costs for the participant while sharing equity and ensuring the home will remain permanently affordable as a part of the Land Trust. The families that are envisioned for these properties are between 81% and 120% of area media income (AMI), or approximately \$53,300 to \$79,900 annually for a family of four. Qualifying to purchase only the house greatly reduces the amount of the mortgage for which these families would have to apply.

**Location Description:**

HUD's Estimated Foreclosure Abandonment Risk Score ("Risk Score") measures the estimated risk of home foreclosure and abandonment risk for every Census Tract in the State. This score is scaled from 0 to 10, with 10 being the highest or greatest risk. The Risk Scores were developed by HUD to assist grantees in targeting the areas of greatest need within their jurisdictions. Utilizing the HUD provided dataset, Chandler identified the zip code 85225 as having the most significant risk of foreclosure. This strategy will focus on eligible Census Tracts within the 85225 zip code that HUD has identified as having the highest risk for foreclosures.

**Activity Progress Narrative:**

The total obligation for the 205 S. Kingston property is \$134,900. This obligation has been met with a combination of NSP funds and NSP program income. During the last quarter funds were obligated for the rehabilitation of the 140 W. Manor St. property. This quarter, funds were shifted from the rehabilitation of the 140 W. Manor St. property to the acquisition of the 205 S. Kingston property.

## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	1	11/12

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	1	11/12

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households benefitting	0	1	1	7/2	4/10	11/12	100.00

## Activity Locations

Address	City	State	Zip
205 S Kingston Dr.	Chandler	NA	85225

## Other Funding Sources Budgeted - Detail

### No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	